

State of Wisconsin • DEPARTMENT OF REVENUE

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Jim Doyle Governor Roger M. Ervin Secretary of Revenue

Friday, November 6, 2009 CONTACT: Linda Barth, 608.266.6466

Portage Man Sentenced for State Tax Evasion

Russell J. Schmid, 39, was ordered yesterday to spend six months in the county jail for state income tax fraud. He pled no contest on Monday, October 26th, in Columbia County Circuit Court to two felony counts of filing fraudulent state income tax returns.

According to the criminal complaint filed July 17, 2009, Schmid filed six fraudulent Wisconsin income tax returns for the years 2003 through 2008 on which he reported that he had no income. Schmid also filed a letter with each tax return indicating that the tax code does not include wages as "income." The complaint alleged that Schmid received total income, comprised primarily of wages and unemployment compensation, of \$181,765 during the years 2003 through 2008.

The complaint further alleged that as a result of Schmid's fraudulent representation that he had no income, he owed Wisconsin income taxes of \$6,257 for the years 2003 through 2008.

As part of a plea agreement, Judge Daniel George placed Schmid on four years probation. As a condition of probation, Schmid was ordered to spend six months in jail. Schmid was also ordered to pay restitution of \$6,257 and fines, court costs, and other charges totaling \$226 as a condition of probation.

Schmid was prosecuted by the Columbia County District Attorney's office after an investigation by the Wisconsin Department of Revenue's Criminal Investigation Section.

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